

STATE OF CALIFORNIA

SENATE SELECT COMMITTEE TO INVESTIGATE
PRICE MANIPULATION OF THE WHOLESALE ENERGY MARKET

VOTE RE: TERMINATION OF CONTEMPT
FINDINGS FOR RELIANT AND ENRON

STATE CAPITOL
ROOM 112
SACRAMENTO, CALIFORNIA

FRIDAY, SEPTEMBER 14, 2001

9:25 A.M.

Reported by:
Evelyn J. Mizak
Shorthand Reporter

APPEARANCES

MEMBERS PRESENT
SENATOR JOSEPH DUNN, Chair
SENATOR DEBRA BOWEN
SENATOR WES CHESBRO
SENATOR MAURICE JOHANNESSEN
SENATOR SHEILA KUEHL
SENATOR WILLIAM MORROW

MEMBERS ABSENT
SENATOR MARTHA ESCUTIA
SENATOR BYRON SHER

STAFF PRESENT
ALEXANDRA MONTGOMERY, Committee Consultant
RONDA PASCHAL, Committee Consultant
IRMA MORALES, Committee Assistant
WADE TEASDALE, Chief of Staff to SENATOR MORROW

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1 P-R-O-C-E-E-D-I-N-G-S

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3 CHAIRMAN DUNN: We'll go on the record while
4 waiting for Wes. We're going to call this Committee hearing to
5 order. We'll take the roll in just one second.

6 We are here for a very brief meeting that will
7 consist of two motions: one of them following up from our last
8 hearing, and then a motion resulting from a resolution of the
9 dispute with Enron yesterday.

10 Secretary, if you could, please, call the roll.

11 SECRETARY MORALES: Chairman Dunn.

12 CHAIRMAN DUNN: Here.

13 SECRETARY MORALES: Chairman Dunn here.

14 Senator Bowen.

15 SENATOR BOWEN: Here.

16 SECRETARY MORALES: Senator Bowen here.

17 Senator Chesbro.

18 SENATOR CHESBRO: Here.

19 SECRETARY MORALES: Senator Chesbro here.

20 Senator Escutia. Senator Johannessen.

21 SENATOR JOHANNESSEN: Here.

22 SECRETARY MORALES: Senator Johannessen here.

23 Senator Kuehl.

24 SENATOR KUEHL: Here.

25 SECRETARY MORALES: Senator Kuehl here.

26 Senator Morrow.

27 SENATOR MORROW: Here.

28 SECRETARY MORALES: Senator Morrow here.

1 Senator Sher.

2 CHAIRMAN DUNN: A quorum having been established,

3 we have two motions to hear. The first one is a follow-up to
4 our last hearing.

5 The motion from the Chair is that the contempt
6 process as to Reliant be terminated. They have now come in
7 compliance with the other market participants, and we will set a
8 further review of compliance somewhere a few weeks down the
9 line. So at this point, a motion to terminate the contempt
10 process as to Reliant.

11 Secretary, call the roll on that motion.

12 SECRETARY MORALES: Chairman Dunn.

13 CHAIRMAN DUNN: Aye.

14 SECRETARY MORALES: Chairman Dunn Aye.

15 Senator Bowen.

16 SENATOR BOWEN: Aye.

17 SECRETARY MORALES: Senator Bowen Aye.

18 Senator Chesbro.

19 SENATOR CHESBRO: Aye.

20 SECRETARY MORALES: Senator Chesbro Aye.

21 Senator Escutia. Senator Johannessen.

22 SENATOR JOHANNESSEN: Aye.

23 SECRETARY MORALES: Senator Johannessen Aye.

24 Senator Kuehl.

25 SENATOR KUEHL: Aye.

26 SECRETARY MORALES: Senator Kuehl Aye.

27 Senator Morrow.

28 SENATOR MORROW: Aye.

1 SECRETARY MORALES: Senator Morrow Aye.

2 Senator Sher.

3 CHAIRMAN DUNN: As far as the second motion, it
4 relates to the discussions yesterday. As I think most everyone
5 is aware, we had a Rules Committee hearing yesterday regarding

6 the report to the full Senate regarding the contempt as to
7 Enron. That Rules Committee was recessed, and throughout the
8 day negotiations were had with Enron that resulted in a
9 resolution of the contempt process as to Enron.

10 They have also come in line with respect to the
11 same agreements that the other market participants have agreed
12 to. And as to Enron, we will establish a later hearing to
13 follow up a review of compliance, but that will be set at a
14 later date.

15 So, the second motion this morning is a motion to
16 terminate the contempt process as to Enron, which also includes
17 withdrawing the report that was submitted to the full Senate
18 regarding Enron and the contempt process.

19 The motion having been made, Secretary, please
20 call the roll.

21 SECRETARY MORALES: Chairman Dunn.

22 CHAIRMAN DUNN: Aye.

23 SECRETARY MORALES: Chairman Dunn Aye.

24 Senator Bowen.

25 SENATOR BOWEN: Aye.

26 SECRETARY MORALES: Senator Bowen Aye.

27 Senator Chesbro.

28 SENATOR CHESBRO: Aye.

1 SECRETARY MORALES: Senator Chesbro Aye.

2 Senator Escutia. Senator Johannessen.

3 SENATOR JOHANNESSEN: Aye.

4 SECRETARY MORALES: Senator Johannessen Aye.

5 Senator Kuehl.

6 SENATOR KUEHL: Aye.

7 SECRETARY MORALES: Senator Kuehl Aye.

8 Senator Morrow.

9 SENATOR MORROW: Aye.
10 SECRETARY MORALES: Senator Morrow Aye.
11 Senator Sher.
12 CHAIRMAN DUNN: Both motions having been passed
13 by 5-0, we're adjourned.
14 Thank you, everybody.
15 [Thereupon this portion of the
16 Senate Select Committee hearing
17 was terminated at approximately.
18 9:29 A.M.]
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1 CERTIFICATE OF SHORTHAND REPORTER
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3 I, EVELYN J. MIZAK, a Shorthand Reporter of the State
4 of California, do hereby certify:

5 That I am a disinterested person herein; that the
6 foregoing transcript of the Senate Select Committee hearing was
7 reported verbatim in shorthand by me, Evelyn J. Mizak, and
8 thereafter transcribed into typewriting.

9 I further certify that I am not of counsel or
10 attorney for any of the parties to said hearing, nor in any way
11 interested in the outcome of said hearing.

12 IN WITNESS WHEREOF, I have hereunto set my hand this
13 _____ day of _____, 2001.

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EVELYN J. MIZAK
Shorthand Reporter

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